

our Nation's public health infrastructure. We must continue to fight infectious diseases and ensure that this legislation is enacted to help protect our citizens and provide them with the healthiest food possible.

AGRICULTURAL TRADE FREEDOM ACT

Mr. LEAHY. Mr. President, I would like to take a moment to voice my support for S. 566, the Agricultural Trade Freedom Act, which was passed out of the Senate Committee on Agriculture, Nutrition and Forestry this morning on a 17-1 vote. I appreciate Senator LUGAR's strong leadership on these trade and international issues.

More than any other industry in America, agriculture is extremely dependent on international trade. In fact, almost one-third of our domestic agricultural production is sold outside of the United States. Clearly, a strong international market for agricultural commodities is therefore of utmost importance to our agriculture economy.

As those of us who herald from agricultural states know, the business of agriculture in America reaches far beyond farmers alone. There are many rural businesses, such as feed stores, machinery repair shops and veterinarians, who depend on a strong agricultural economy. And when we discuss international trade, there are many national businesses, such as agricultural exporters, which are greatly impacted by our trade policies.

Despite the importance of these international markets, agricultural commodities are occasionally eliminated from potential markets because of U.S. imposed unilateral economic sanctions against other countries. These economic sanctions are imposed for political, foreign policy reasons. Yet there is little to show that the inclusions of agricultural commodities in these sanctions actually have had the intended results. The question now emerging from this policy is who is actually hurt by the ban on exporting commercial agricultural commodities, and should it continue?

American farmers and exporters obviously face an immediate loss in trade when unilateral economic sanctions are imposed. Perhaps even more devastating, however, is the long-term loss of the market. Countries who need agricultural products do not wait for American sanctions to be lifted; they find alternative markets. This often leads to the permanent loss of a market for our agriculture industry, as new trading partnerships are established and maintained.

Our farmers, and the rural businesses and agriculture exporters associated with them, are consequently greatly hurt by this policy. The Agricultural Trade Freedom Act corrects this problem by exempting commercial agricul-

tural products from U.S. unilateral economic sanctions. The exemption of commercial agricultural products is not absolute; the President can make the determination that these items are indeed a necessary part of the sanction for achieving the intended foreign policy goal. In this situation, the President would be required to report to Congress regarding the purposes of the sanctions and their likely economic impacts.

Recently, the administration lifted restrictions on the sale of food to Sudan, Iran and Libya—all countries whose governments we have serious disagreements with. It did so, and I am among those who supported that decision, because food, like medicines, should not be used as a tool of foreign policy. It is also self-defeating. While our farmers lost sales, foreign farmers made profits.

Unfortunately, the administration did not see fit to apply the same reasoning to Cuba. American farmers cannot sell food to Cuba, even though it is only 90 miles from our shores and there is a significant potential market there. This contradiction is beneath a great and powerful country, and Senator LUGAR's legislation would permit such sales. The administration should pay more attention to what is in our national interests, rather than to a tiny, vocal minority who are wedded to a policy that has hurt American farmers and the Cuban people.

The Agricultural Trade Freedom Act maintains the President's need for flexibility in foreign policy while simultaneously recognizing the impact that sanctions may have on the agricultural economy. This legislation is supported by dozens of organizations including the National Association of State Departments of Agriculture, the U.S. Dairy Export Council, the National Milk Producers Federation, and the National Farmers Union.

In closing, I would like to thank Senator LUGAR for his leadership on this issue. I was pleased to join with him, the ranking member, Senator HARKIN, the Democratic Leader, Senator DASCHLE, Senator CONRAD and others in this effort, and I look forward to working with them and all members of the Senate to see that this measure becomes law.

THE GUN SHOW LOOPHOLE

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that a copy of a letter from the International Brotherhood of Police Officers, in support of my amendment to close the gun show loophole, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL BROTHERHOOD
OF POLICE OFFICERS,
Alexandria, VA, May 19, 1999.

Hon. FRANK LAUTENBERG,
U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: The International Brotherhood of Police Officers (IBPO) is an affiliate of the Service Employees International. The IBPO is the largest police union in the AFL-CIO.

On behalf of the entire membership of the IBPO, I am writing to express our support for your amendment that would close the gun show loophole. Every year, there are approximately 4,000 gun shows across the country where criminals can buy guns without a background check. This problem arises because while federally-licensed dealers sell most of the firearms at these shows, about 25 percent of the people selling firearms are not licensed and they are not required to comply with the background check as mandated by the Brady Law.

The "Lautenberg amendment" will close the gun show loophole and help law enforcement trace illegal firearms. The police officer on the street understands that this legislation is needed to help shut down the deadly supply of firearms to violent criminals.

Sincerely,

KENNETH T. LYONS,
National President.

FINANCIAL SERVICES MODERNIZATION ACT OF 1999

Mr. BRYAN. Mr. President, I want to voice my disagreement with a portion of Senate Report Number 106-44, which accompanied S. 900, the Financial Services Modernization Act of 1999. The Report describes an amendment that I offered that was adopted by a unanimous vote of the Senate Banking Committee during its consideration of S. 900. I want to explain what I intend that amendment to mean and how I intend its language to be interpreted.

At issue is the standard for determining whether State laws, regulations, orders and other interpretations regulating the sale, solicitation and cross-marketing of insurance products should be preempted by federal laws authorizing insurance sales by insured depository institutions and their subsidiaries and affiliates. Since the inception of the national banking system, the insurance sales powers of national banks have been heavily restricted. In addition, since the inception of the insurance industry in this country, the States have been the virtually exclusive regulators of that business. Although S. 900 seeks to tear down the barriers that separate the banking, insurance and securities industries, at the same time it seeks to preserve functional regulation. This means that the extensive regulatory systems that have been developed to protect consumer interests in each area of financial services should be retained.

For that reason, one of the principles of the proposed legislation is to ensure that the activities of everyone who engages in the business of insurance should be functionally regulated by the